Starting New Ventures
64-361.202
Chap 2 Recognizing Opportunities and Generating Ideas.

ScriptPad – Case Study

Dr. Jack M. Wilson
Distinguished Professor
of Higher Education, Emerging Technologies,
and Innovation
Four Essential Qualities or Dimensions

Opportunity (not just an idea!)

- Attractive
- Timely
- Durable
- Anchored in a product or service that creates or adds value for a customer
From Trends to Opportunity

- **Economic Forces**
  - economy
  - income
  - spending

- **Social Forces**
  - social-cultural
  - demographic
  - trendiness

- **Technology**
  - new
  - emerging
  - new use for old

- **Political Forces**
  - political arena
  - regulatory

**Gap**
Business, Product, Service
available vs possible

**New**
Business, Product, Service
Script Pad

- ScriptPad
  - iPhone/iPad/iPod prescription platform

ScriptPad transforms your iPhone and iPad into a digital prescription pad.

Watch the video tour!

Questions

ScriptPad allows doctors to write prescriptions faster and safer than their current paper process. ScriptPad eliminates deadly prescription writing mistakes that contribute to over 7,000 deaths each year and sends the prescription directly to the patient's pharmacy.

Available on the App Store
ScriptPad

- Founder: CEO Shane Taylor
- Problem: Father had 26 medicines - heart disease and cancer
- Gap: Written Prescriptions have errors 40% of the time!
  - Dosage-drug interaction-handwriting etc
  - 7000 deaths per year
- Opportunity: create communication technology to eliminate handwriting, catch and reduce errors, deliver electronically
- Solution: iPad app
ScriptPad Business Model

- Free App for doctors and nurses
- Premium upgrade at $49 per month to doctors
  - Federal IT financial incentives
- Transaction Fee for Pharmacies
- Niche: easier/cheaper than comprehensive systems being deployed – more complex systems also require training
- Singular focus: writing electronic prescriptions
  - – they believe this is a strength
- Market: small offices 1-5 physicians
ScriptPad – early financing success

- Accepted into TechStars in 2010
  - TechStars, which launched in 2007, is a “startup boot camp” for tech entrepreneurs in which selected startups receive up to $18,000 in seed funding (or $6,000 per founder up to three founders in exchange for 5 percent of the company), three months of mentorship from successful entrepreneurs and investors, and the opportunity to pitch to angel investors and venture capitalists at the end of the program.
  - One of the differentiating factors in TechStars is that it takes a mentor and community-driven approach to incubating startups and supporting founders. The company pairs at least 10 mentors in the local technology industry with each startup to give founders access to both seasoned entrepreneurs and venture capitalists.
  - The incubator has programs in Boston, Boulder, New York, Seattle, and recently launched a new thematically focused business Kickstarter, dubbed TechStars Cloud.
ScriptPad-VentureFunding

The company is has raised $12,000 from TechStars and another $420,000 from investors, including BR Venture Fund.

ScriptPad Projected Timeline

Creating the best e-prescription experience.

- Work begins on ScriptPad!
- Beta iPhone App!
- iPad App Release

2010
- Techstars!
- ScriptPad, Inc

2011
- Beta ends!
- Android App Release

Physician Enrollment begins early 2011
ScriptPad

- SureScript Certification
- Nationwide EMR & Prescription network
  - Electronic Medical Records

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Challenges

• They believe the major challenge is adoption
  – Challenges on both pharmacy and physician side
    • Medical industry is notoriously slow to change
  – Currently only 10% handled electronically
  – New government incentives (2009 passed IT Health funding)
    • To spur electronic prescriptions and EMR—Electronic Medical Records.
Questions

- Attractive,
- durable,
- timely,
- anchored in product or service?

- What environmental trends work in their favor.
  - If this is a good opportunity, what environmental trends made this possible?

- If you were the family physician in a small practice how would you react?
  - What do you see as the pluses and minuses?
  - What would you decide?

- What questions SHOULD we be asking that we have not?
Our Questions:

• You say that the major challenge is adoption. Is that true?
• What are the other challenges?
  – How will you meet HIPAA? (Regulatory issues)
    • http://www.hhs.gov/ocr/privacy/
  – How will you interface with the major systems that hospitals are deploying?
  – How will you meet inter-operability standards?

• How do you protect your intellectual property? What keeps others from copying you? Any barriers to entry?
  – Looks like you already have lots of competitors
The company has raised $12,000 from TechStars and another $420,000 from investors, including BR Venture Fund. According to the venture fund, “In America, over 1.7 billion prescriptions are handwritten every year and roughly 40 percent of these contain errors of some sort.” This represents a huge market opportunity, and ScriptPad presents a simple solution.

The app – which is fully HIPPA compliant – uses the Surescripts prescribing network of over 65,000 local and chain pharmacies nationwide. To qualify to use ScriptPad, healthcare providers must have an NPI number, active medical license, and DEA number. So you can’t just download the app and start sending prescriptions off to a pharmacy for your buddy.

- http://techli.com/2012/06/scriptpad-bad-penmanship/
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